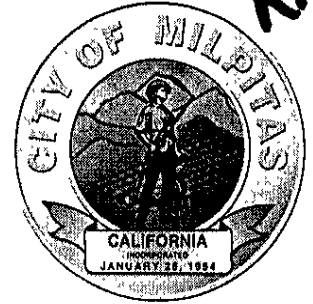



RA5



## **MEMORANDUM**

### ***City Hall Project***

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Date: April 9, 2003  
To: Honorable Mayor and City Council  
Through: Tom Wilson, City Manager  
From:  Greg Armendariz, City Hall Project Manager  
Subject: Attachment to Council Agenda Item RA5: City Hall Progress Report

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#### **Contract Change Orders**

One change order and two purchase orders are recommended for approval. The change order is settlement of the last construction claim. This claim, from ACCO, the project mechanical contractor, originally contained several cost elements including schedule delays. After a series of meetings and negotiations between the contractor and staff, a final settlement was reached where the contractor would be compensated for two major work scope items. These consist of an additional air handler unit and several acoustical upgrades in the council chambers, which were added through the course of the design coordination and construction. This workscope was found not to have been included in the original contract. All other elements of the claim, including two delay related items were negotiated and resolved at no additional cost to the City. Two purchase orders are recommended for services from SASCO to assist the City troubleshoot a control problem with the mecho shades in the Committee room. The problem was resolved and the total cost for this service is \$441. The second purchase order is for additional signage, which has been added by staff relating to "no smoking," office name plates, garage clearance guards, agenda holders, and other related items that are anticipated to be needed.

#### **Third and Fourth Floor Improvements**

Staff will present a progress report on the Third and Fourth Floor improvements, at the Council meeting.

#### **Budget**

The Subcommittee and staff recommend a new appropriation of \$45,000, for the third floor improvements. On February 4, 2003, Council meeting approved the 3rd floor improvements with a \$45,000 budget, however a new appropriation was not addressed at that time. Third floor improvements will be tracked and reported separately. This is consistent with the previous approval of the fourth floor improvements.

Additional cost recoveries have been identified as the City closes out the remaining multiple prime construction and service contracts. The reason for this is primarily due to the City's ongoing efforts to control costs (i.e. as the blueprinting, and tracking actual contractor time and materials.) Attached is a staff memo to Finance providing a list of the purchase orders to be closed and the respective cost savings, totaling \$84,892. These purchase order cost savings will be returned to the project contingency. An update report on the Civic Center budget will be presented at the Council meeting by Project staff.

# MEMORANDUM

## City Hall Project



Date: April 9, 2003  
 To: Emma Karlan, Finance Director ; Lou Zenzen, Purchasing Agent  
 From: Greg Armendariz, City Hall Project Manager  
 Subject: Request to Close Contract Additional Purchase Orders

This memo is to request closure of additional City Hall Project purchase orders for the construction and services contracts, listed in the following two tables. We have reviewed and reached agreement on the final cost recovery/cost savings with your purchasing and accounting staff.

The first table below summarizes additional list of construction contracts, which are recommended for closure.

Construction Contract Purchase Orders				
Contractor	P.O. #	Initial Contract Amount	Final Contract Amount	Potential Cost Savings
B.T. Mancini		\$ 334,000	\$ 242,949	\$ 0
Carrara Marble		\$ 1,180,000	\$ 1,282,398	\$ 3,600
Conco Cement	Closed	\$ 3,239,638	\$ 3,907,541	\$ -7,394 **
Division Two		\$ 432,760	\$ 1,627,864	\$ 2,373
Enterprise Roofing		\$ 337,971	\$ 355,451	\$ 0
Enterprise Roofing		\$ 159,877	\$ 256,413	\$ 6,203
Ferma	Closed	\$ 722,500	\$ 822,548	\$ 3,000
Graebel Erickson		\$ 24,512	\$ 24,512	\$ 0
Insulcrete		\$ 61,121	\$ 58,499	\$ 0
Ireland Interiors		\$ 242,744	\$ 313,675	\$ 4,636
Meddco Metals	Closed	\$ 127,925	\$ 127,925	\$ 0
Pacific Water Art		\$ 385,000	\$ 509,943	\$ 10,845
Partition Specialties		\$ 7,889	\$ 15,063	\$ 0
Rollie French (Plaster)		\$ 335,000	\$ 331,652	\$ 0
WW Steel	Closed	\$ 2,482,00	\$ 2,648,240	\$ 2,500
** Due to previously reported savings.				
Sub-Total Cost Savings =				\$ 25,763

The second table (below) summarizes additional remaining purchase orders for service contracts (vendors & consultants,) that can also be closed.

Vendors & Consultants				
Vendor or Consultant	P.O. #	Initial Contract Amount	Final Contract Amount	Potential Cost Savings
ATC Associates	C902632	\$ 4,950	\$ 19,950	\$ 12,016
California Textiles	C902630	\$ 1,000	\$ 1,000	\$ 91
Devcon Construction	C902628	\$ 100,000	\$ 100,000	\$ 14,700
Forderer Cornice	C902641	\$ 4,999	\$ 4,999	\$ 1,599
Four Star Cleaning	C802647	\$ 9,525	\$ 9,525	\$ 3,968
Geotechnical Engr	C802629	\$ 58,560	\$ 58,560	\$ 6,221
Moisture Control	C802697	\$ 30,000	\$ 30,000	\$ 3,177
SSA Landscape	MA 00059	\$ 10,000	\$ 25,000	\$ 14,040
Sheedy Hoist	C902609	\$ 4,999	\$ 4,999	\$ 787
Sign-A-Rama	C902631	\$ 2,370	\$ 6,759	\$ 2,384
Silicon Valley Security	MA 00043	\$ 55,038	\$ 140,038	\$ 146
Sub Total Cost Savings				\$59,129
<b>Grand Total Cost Savings =</b>				<b>\$ 84,892</b>

The grand total cost savings of \$84,892, should be returned back to the City Hall Project contingency.

**City of Milpitas, California**

**BUDGET CHANGE FORM**



Type of Change	From		To	
	Account	Amount	Account	Amount
<b>Check one:</b>				
<input checked="" type="checkbox"/> <b>Budget Appropriation</b>	390-2940	\$45,000	390-3941	\$45,000
<input type="checkbox"/> <b>Budget Transfer</b>	391- 9518026153841	\$45,000	391- 951802664800	\$45,000

**Explain the reason for the budget change:**

The Subcommittee and staff are recommending that a new appropriation for the third floor improvements previously approved by the Council meeting on February 4, 2003. However a new appropriation was not addressed at the time. Third floor funding and project progress will be tracked and reported separately. This is consistent with the fourth floor improvements. A staff presentation will be made at the council meeting, on the project close out progress.

Appropriate \$45,000 for the City Hall Third Floor Improvements from the RDA Tax Increment.

☒ **Check if City Council Approval required.**

Itemization of funds, if needed:			Amount
<b>Requested by:</b>	<b>Division Head:</b>	<b>Date:</b>	
	<b>Department Head:</b> 	<b>Date:</b> 4/9/03	
<b>Reviewed by:</b>	<b>Finance Director:</b> 	<b>Date:</b>	
<b>Approved by:</b>	<b>City Manager:</b>	<b>Date:</b>	
<b>Date approved by City Council, if required:</b>		<b>Confirmed by:</b>	

# City Hall Project

## Proposed Change Orders for Council approval - April 15, 2003

		<b>Funding Source</b>				
Change Order #	Description	HOLDS OR UNBOUGHTS		OTHER CIP PROJECTS		PROJECT CONTINGENCY
		amount	Description	amount	CIP project description	amount
					<b>Contingency as of April 9, 2003</b>	<b>\$ 238,438</b>
					(Includes Interest earnings of \$233,000)	
<b>Proposed Change Orders</b>						
	<b>ACCO</b>					
1	Construction claim - Changes to HVAC system at Council Chambers including adding a second air handler unit, and miscellaneous Accoustical Upgrades to HVAC duct system, in order to enhance the acoustical performance of the Council chambers.					\$ 128,224
<b>Proposed Purchase Orders</b>						
	<b>SASCO</b>					
1	Provide Technical Support during troubleshooting of Mecho Shades on the Committee Room.					\$ 441
	<b>WEIDNER ARCHITECTURAL</b>					
2	Additional Signage for garage, private offices, stairwell and building entrance					\$ 5,131
Cost Sub-totals		\$ -		\$ -		\$ 133,796

Grand total for all change orders = \$ 133,796

Totals Project Contingency Funds Remaining = \$ 104,642

**Civic Center Project #8026**  
Budget Reconciliation through 04-08-03

No.	Item	Adjusted Budget 11/19/2002	Total Expended & Committed	Available Budget
<b>1</b>	<b>Design</b>			
1A1 & A2	Studios Design & Admin.	2,327,138		
1B1 & B2	Geotech Design & Admin.	24,550		
1C1 & C2	Hazmat Design & Monitoring	57,280		
1D	Estimate	8,500		
1E	Other Consultants	83,603		
1F	Printing/Copying/Blueprinting	75,000		
1G	Topo Survey (S-H-J)	16,067		
	<b>Total Design</b>	<b>2,592,138</b>	<b>2,689,818</b>	<b>(97,680)</b>
<b>2</b>	<b>Administration</b>			
2A	City Staff Labor	3,206		
2B	City Staff Support	1,601		
	<b>Total Administration</b>	<b>4,807</b>	<b>4,953</b>	<b>(146)</b>
<b>3</b>	<b>Survey</b>			
3A	Survey	25,000		
3B	Title Work (First American)	1,050		
	<b>Total Survey</b>	<b>26,050</b>	<b>38,798</b>	<b>(12,748)</b>
<b>4</b>	<b>Inspection PM/CM</b>			
4A	Turner	2,075,115		
4B	Special Inspection	250,000		
	<b>Total PM/CM</b>	<b>2,325,115</b>	<b>2,357,233</b>	<b>(32,118)</b>
<b>5</b>	<b>Land/Right of Way</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>6</b>	<b>Buildings</b>			
6A	Prime Contractors	25,076,330	25,350,447	(274,117)
6B	Misc. Contractors	0	0	0
6C	Change Order Contingency	2,000,000	2,282,675	(282,675)
	<b>Total Buildings</b>	<b>27,076,330</b>	<b>27,633,122</b>	<b>(556,792)</b>
<b>7</b>	<b>Improvements</b>			
7A	Site Contractors	1,613,000		
7B	PG&E	14,866		
	<b>Total Other Improv.</b>	<b>1,627,866</b>	<b>1,126,144</b>	<b>501,722</b>
<b>8</b>	<b>Equipment</b>			
8A	FF&E	1,000,000		
8B	Signage	175,000		
8C	Tel/Data (NEC only)	0		
8D	Artwork	100,000		
8E	Audio Visual System	0		
8F	Other	0		
	<b>Total Equipment</b>	<b>1,275,000</b>	<b>1,308,424</b>	<b>(33,424)</b>
<b>9</b>	<b>Other</b>			
9A	Mall Lease (Improvements)	950,000		
9B	Tel/Data	0		
9C	Move coordination	94,250		
9D	Move Cost to Mall	54,149		
9E	Move Cost to New Bldg.	150,000		
9F	Misc. Costs	75,000		
9G	Previous Costs (Recon Amount)	116,107		
	<b>Total Other</b>	<b>1,439,506</b>	<b>1,530,700</b>	<b>(91,194)</b>
9H	Misc. Operating Costs	25,000	0	25,000
9I	Project Contingency	2,115,108	1,545,288	569,818
	<b>Project Total</b>	<b>38,506,918</b>	<b>38,234,480</b>	<b>272,438</b>

# **Civic Center Project**

## **Budget Summary**

As of April 8, 2003

Total Civic Center Project Budget		<b>38,506,918</b>
Expended and Committed to Date:		
Expenditures paid to date (through 04/08/03)	37,888,550 (1)	
Contracts and encumbrances approved by Council	<u>345,930</u>	
Total Expended and Committed to Date		<b><u>38,234,480</u> (2)</b>
Uncommitted Budget		<b>272,438</b>
Holds and Unboughts		<b><u>(34,000)</u> (3)</b>
Remaining Project Contingencies		<b><u>238,438</u> (4)</b>

(1) Represents 98.39% of total Civic Center Project budget

(2) Represents 99.29% of total Civic Center Project budget

(3) Represents 0.09% of total Civic Center Project budget (3rd Floor Public Access Remodel)

(4) Represents 0.62% of total Civic Center Project budget

**OTHER CIPs IN CONJUNCTION with the CIVIC CENTER PROJECT**  
**SUMMARY OF BUDGET, EXPENDITURES and COMMITMENTS**  
As of April 8, 2003

Page #	CIP NO	DESCRIPTION	AMOUNT	TOTAL EXPENSES	NEW CONTRACT OR	AVAILABLE BUDGET
			BUDGETED	& COMMITMENTS	NEW CHANGE ORDER FOR APPROVAL	AFTER NEW CONTRACT OR NEW CHANGE ORDER APPROVED
2	4140	Milpitas Blvd. Landscape	150,000	156,092	-	(6,092)
3	4194	Calaveras Blvd. Median Landscape	150,000	165,490	-	(15,490)
4	8093	Telecommunications Infrastructure	1,150,000	942,785	-	207,215
5	8109	Desktop Technology	371,852	349,298	-	22,554
6	8141	Pond Renovation	1,650,000	1,649,662	-	338
7	8142	City Hall Technology	1,500,000	1,446,860	-	53,140
8	8143	Parking Circulation Improvements	935,000	903,545	-	31,455
<b>TOTAL BUDGET RELATED TO CITY HALL</b>			<b>5,906,852</b>	<b>5,613,732</b>	<b>-</b>	<b>293,120</b>